

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2438 - HB 2567

March 4, 2018

SUMMARY OF BILL: Requires, no later than January 1, 2020, all county election commissions to utilize precinct-based optical scanners.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures –

\$4,753,800/FY19-20 and Every Four Years Thereafter

Increase Local Expenditures – Exceeds \$57,411,900/FY18-19*

\$9,507,600/FY20-21 and Every Two Years Thereafter*

\$4,753,800/FY21-22 and Every Four Years Thereafter*

Assumptions:

- According to information provided by the Division of Elections, 83 counties currently have Direct Recording Electronic (DRE) voting systems and will be required to purchase new voting systems.
- Purchasing new voting systems, including ballot scanners, ballot marking devices, privacy screens, containers for storing paper ballots, and revision of training materials will result in a mandatory one-time increase in local government expenditures in FY18-19 estimated to exceed \$53,000,000.
- In addition, local governments will need additional supplies, software, and voter education resulting in a mandatory one-time increase in local expenditures in FY18-19 of \$4,411,900.
- The total mandatory one-time increase in local expenditures in FY18-19 is estimated to exceed \$57,411,900 (\$53,000,000 + \$4,411,900).
- Additional expenditures will be required for each election for paper, printing supplies, system programming fees, training, and audits. The additional increase in expenditures for each election is estimated to be \$4,753,800.
- In years with a Presidential Preference Primary, the state will be responsible for such costs; therefore in FY19-20 and every four years thereafter there will be an increase in state expenditures estimated to be \$4,753,800.

- In FY20-21 and every two years thereafter, there will be a mandatory increase in local expenditures estimated to be \$9,507,600 (\$4,753,800 per election cycle x 2 election cycles) for the August primary and November general elections; and in FY21-22 and every four years thereafter, there will be mandatory increase in local expenditures estimated to be \$4,753,800.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/jrh